HOUSE BILL 2805 By Hagood

AN ACT to amend Tennessee Code Annotated, Title 55, Chapter 4, Part 2, relative to license plates.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-4-201, is amended by adding a new subsection thereto, as follows:

(k) Notwithstanding any provision of this part to the contrary, any cultural or new specialty earmarked license plate authorized by this part on or after July 1, 2004, shall be subject to a minimum order of at least one thousand (1,000) plates prior to initial issuance. The provisions of this subdivision shall apply equally to the renewal of any cultural or new specialty earmarked plate initially issued on or after July 1, 2004. Any such plate that does not meet the minimum order requirements of this subdivision or does not meet the renewal requirements for any two (2) successive renewal periods, shall not be administratively issued, reissued, or renewed by the department and shall be deemed obsolete and invalid.

SECTION 2. Tennessee Code Annotated, Section 55-4-209, is amended by deleting item (2)(A) in its entirety and by substituting instead the following:

(2)

(A) "Cultural plate" means:

- (i) A special or cultural motor vehicle registration plate authorized by statute prior to July 1, 1998, and enumerated in § 55-4-202(c)(5);
- (ii) An honorary motor vehicle registration plate authorized by statute on or after July 1, 1998, which statute does not specifically earmark the funds produced from the sale of such plate; or

(iii) An honorary motor vehicle registration plate administratively issued on or after July 1, 2004, which application does not specifically earmark the funds produced from the sale of such plate;

SECTION 3. Tennessee Code Annotated, Section 55-4-209, is amended by deleting item (4) in its entirety and by substituting instead the following:

- (4) "New specialty earmarked plate" means:
- (A) A motor vehicle registration plate authorized by statute on or after July 1, 1998, which statute earmarks the funds produced from the sale of such plate to be allocated to a specific nonprofit organization or state agency or fund to fulfill a specific purpose or to accomplish a specific goal; or
- (B) A motor vehicle registration plate administratively issued on or after July 1, 2004, which application earmarks the funds produced from the sale of such plate to be allocated to a specific nonprofit organization or state agency or fund to fulfill a specific purpose or to accomplish a specific goal;

SECTION 4. Tennessee Code Annotated, Section 55-4-210, is amended by adding a new subsection thereto, as follows:

(f)

- (1) Effective July 1, 2004, and for all subsequent fiscal years, cultural and new specialty earmarked plates shall be administratively issued by the department. Applications for the issuance of cultural or new specialty earmarked plates shall be made to the department of safety. The commissioner shall compile all such requests and shall issue new cultural and new specialty earmarked plates to qualified applicants; provided, that the minimum issuance requirements of § 55-4-201(k) and all other requirements of this chapter are met.
- (2) No cultural, specialty earmarked, or new specialty earmarked plates shall be issued that are determined by the commissioner to be obscene, duplicative, or to interfere with motor vehicle enforcement.

- 2 - 01085858

- (3) Any cultural, specialty earmarked, or new specialty earmarked plates that have been issued prior to the effective date of this act shall continue to be renewed in accordance with the applicable provisions of this chapter.
- (4) Any cultural or new specialty earmarked plates that have been authorized for issuance by the general assembly prior to the effective date of this act, have qualified for issuance prior to the effective date of this act but have not been issued by the department prior to the effective date shall be issued and renewed in accordance with § 55-4-201(h) and all other applicable provisions of this chapter.
- (5) The provisions of this subsection shall not be construed to affect the administrative issuance, or renewal, of cultural plates administratively issued and renewed prior to the effective date of this act which shall continue to be administratively issued and renewed in accordance with the applicable provisions of this chapter.

SECTION 5. Tennessee Code Annotated, Section 55-4-215(a), is amended by designating subdivision (1) as subdivision (1)(A) and by adding the following new subdivision thereto:

(1)

- (B) Effective July 1, 2004, and for all subsequent fiscal years, for all plates administratively issued pursuant to § 55-4-210(f), fifty percent (50%) of such funds shall be allocated to the nonprofit organization or state agency or fund earmarked to receive such funds in the application for the issuance of such plate. Such funds shall be used solely to fulfill the purpose or to accomplish the goal specified in the application for the issuance of such plate. Funds shall go to one (1) of the following:
 - (i) A nonprofit corporation as defined in § 501(c)(3) of the United States Internal Revenue Code;
 - (ii) An agency, board, commission, or other entity established or operated by the state of Tennessee;

- (iii) A political subdivision of the state of Tennessee; or
- (iv) An institution of higher education located in Tennessee.

SECTION 6. This act shall take effect July 1, 2004, the public welfare requiring it.

- 4 - 01085858